IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
EASTERN DIVISION

DAVID'S DOZER V-LOC SYSTEM INC. and DAVID ARMAS, Plaintiffs, vs. DEERE & COMPANY; JOHN DEERE CONSTRUCTION & FORESTRY COMPANY; DOBBS EQUIPMENT, LLC; and EFE, INC. D/B/A EVERGLADES EQUIPMENT GROUP, Defendants.	No. 24-CV-1023-CJW-MAR **ORDER**

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This matter is before the Court on defendants' joint motion to dismiss. (Doc. 129). Plaintiffs timely filed a resistance (Doc. 131) and defendants timely filed a reply (Doc. 132). On August 4, 2025, the Court heard oral argument on the motion. (Doc. 136). On September 4, 2025, defendants filed supplemental authority in support of their motion to dismiss. (Doc. 137). For the following reasons, defendants' joint motion to dismiss is **granted** and plaintiffs' Second Amended Complaint is **dismissed with prejudice**. (Doc. 129).

I. BACKGROUND

This matter involves David's Dozer V-Loc System Inc. ("David's Dozer") and David Armas' ("Armas") (collectively "plaintiffs") allegations of patent infringement and related causes of action against Deere & Company ("Deere"), John Deere Construction & Forestry Company ("JDCFC"), Dobbs Equipment, LLC ("Dobbs"), and EFE, Inc. D/B/A Everglades Equipment Group ("Everglades") (collectively "defendants"). *See* (Doc. 57). Plaintiffs claim devices manufactured, marketed, and sold by defendants infringe on claims in U.S. Patent No. 10,533,300 (the "'300 Patent").

A. Procedural Background

Plaintiffs originally filed their complaint against Deere in the Southern District of Florida. (Doc. 1). On March 1, 2024, Deere filed a motion to dismiss (Doc. 30) and a motion to change venue to the Northern District of Iowa (Doc. 31). On March 15, 2024, before the Southern District of Florida ruled on Deere's motions, plaintiffs filed an amended complaint in which they added JDCFC, Dobbs, and Everglades Equipment Corporation as defendants. (Doc. 37). On the same day, plaintiffs resisted Deere's motion to change venue. (Doc. 38). The Southern District of Florida denied Deere's motion without prejudice pending service on the additional defendants. (Doc. 44). On March 29, 2024, plaintiffs filed their second amended complaint. (Doc. 57). The second amended complaint dropped the incorrectly named Everglades Equipment Corporation as

a defendant but replaced it with Everglades. (*Id.*, at 1). On April 24, 2024, Deere, along with the newly added defendants, renewed the motion to transfer the case to the Northern District of Iowa. (Doc. 70). Defendants also moved to sever and stay the claims against Dobbs and Everglades (the "Dealer Defendants"). (*Id.*). The Southern District of Florida granted defendants' motion to transfer venue but denied defendants' motion to sever and stay the claims against Dobbs and Everglades. (Doc. 89, at 20). On June 28, 2024, the case was transferred to the Northern District of Iowa. (Doc. 91). After the case was transferred to the Northern District of Iowa the Court stayed the case for several months pending resolution of plaintiffs' writ of mandamus to the Federal Circuit and inter partes review. (Docs. 106 & 118). The Court has since lifted the stay and defendants' motion to dismiss is currently pending in this Court.

B. Background Relevant to the '300 Patent

Construction, excavation, and grading professionals use small to mid-sized vehicles, such as skid-steer vehicles with blade attachments, to move dirt, rocks, and other earth material to create smooth surfaces on which they can build improvements. *See* '300 Patent Abstract.[1] In plain terms, an attachment, such as a dozer blade, is placed on the front of and attached to a skid-steer vehicle. The blade then pushes dirt, rocks, and other material as the skid-steer moves forward.

[1] The '300 Patent Abstract can be found in the record at Doc. 57-1.

Figure 1 below, taken from the '300 Patent, illustrates the basic components of skid-steer with a dozer blade attached:

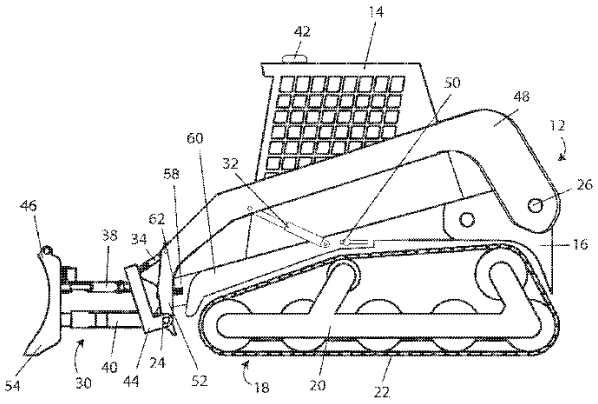


FIG. 1

(Doc. 57-1, at 2).

The problem conventionally engineered skid-steers with front dozer attachments ran into, however, was that when they passed over rocks, hard objects, or difficult or uneven terrain, the ground or objects pushed the dozer up off the ground. This meant that instead of having a smoothly graded surface, the ground was uneven where the blade raised off the ground. Armas made various improvements to grading technology to try and fix the problems with dozers coming off the ground. Armas' efforts eventually culminated in the '300 Patent, which the US Patent and Trademark Office issued on January 14, 2020. Armas' grading company, David's Dozer, is the owner by assignment of all rights, title, and interest in the '300 Patent. (Doc. 57, at 4).

The '300 Patent is entitled "Automatic Grader Stabilizer." According to plaintiffs, the '300 Patent is for "an automatic grade control system, in which the automatic grade control system controls the pitch cylinders on the CTL while the boom is resting on the stops at the boom's lower limit of movement and is restricted from coming off the stops." (Doc. 57, at 5–6). This is reflected in the '300 Patent itself, which claims it is "[a] method for controlling a dozer blade controlled by an automatic grade control system on

a skid steer vehicle[.]" '300 Patent col. 8 ll. 48–49. As relevant here, the '300 Patent teaches it utilizes hydraulics attached to the main arm that connects the dozer blade to the skid steer vehicle to control the dozer blade. A stop is then connected to the skid steer and main arm. The stop prevents the "ability of the main arm from providing any lifting force by restricting the ability of a hydraulic that lifts the main arm" which "operably connect[s] the automatic grade control system to a hydraulic that controls a pitch axis of movement of the dozer blade to affect a height of the dozer blade relative to a ground surface." '300 Patent col. 8 ll. 57–63. Further, the '300 Patent teaches in Claim 2 the method for controlling the dozer blade includes "locking the main arm against the stop when the main arm is at the lower limit of movement of the main arm." '300 Patent col. 8 ll. 64–67. In short, the method claimed by the '300 Patent keeps the main arm in place by restricting the hydraulics, so the dozer that is attached to the main arm cannot come off the ground, thereby resulting in a smooth grade.

Armas installed his system, which utilized the method covered by the '300 Patent, on a JDCFC vehicle at a tradeshow in August 2018. (Doc. 57, at 5–6). Armas filed an application for the '300 Patent before the tradeshow. (*Id.*, at 5). A few months after the tradeshow, Deere filed four patent applications, all of which allegedly "disclosed systems and methods for restricting a boom arm on a work vehicle . . . when the vehicle is also hydraulically coupled to an attachment such as a dozer blade." (*Id.*, at 6). Deere cited the '300 Patent during the prosecution of each of the four patents. (*Id.*, at 7).

In 2020, JDCFC introduced the 333G SmartGrade Compact Track Loader ("333G") and John Deere SmartGrade six-way dozer blade attachment ("SG96") (collectively, the "Accused Products"). Plaintiffs allege the Accused Products infringe on the '300 Patent. One of the features of the 333G is the vehicle's "Dozer Mode," which allows for automated precision grading by allegedly restricting the "hydraulics which control the vehicle's boom arm . . . such that the boom arm stays and remains in

a lowered position." (*Id.*, at 7–8). Also in 2020, plaintiffs allege JDCFC's product marketing manager gave two interviews in which he described the 333G's Dozer Mode and stated that the blade stays down to create an even grade hydraulically and by pulsing hydraulics to keep the blade down. (*Id.*, at 8–9).

Dobbs and Everglade allegedly offer and sell the 333G and SG96. (*Id.*, at 10).

C. Plaintiffs' Second Amended Complaint

Plaintiffs assert five claims in the second amended complaint. In Count I plaintiffs assert a claim for direct infringement of the '300 Patent, either literally or under the doctrine of equivalents, against JDCFC and the Dealer Defendants. (*Id.*, at 11). In Count II, plaintiffs assert a claim against Deere and JDCFC (the "Deere Defendants") for indirect infringement of the '300 Patent in violation of Title 35, United States Code, Section 271(b). (*Id.*, at 12). In Count III, plaintiffs assert a claim against JDCFC for indirect infringement of the '300 Patent in violation of Title 35, United States Code, Section 271(c). (*Id.*, at 13–14). In Count IV plaintiffs assert a claim for false and misleading advertising and promotion in violation of Title 15, United States Code, Section 1125(a)(1)(B) against JDCFC. (*Id.*, at 15). And in Count V, plaintiffs assert a declaratory judgment claim for correction of inventorship under Title 35, United States Code, Section 256 against Deere. (*Id.*, at 17).

II. APPLICABLE LAW

Before filing an answer, a defendant may move to dismiss a complaint for "failure to state a claim upon which relief can be granted" under Federal Rule of Civil Procedure 12(b)(6). To survive a motion to dismiss under Rule 12(b)(6), "a complaint must contain sufficient factual matter . . . to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). "[W]hen ruling on a defendant's motion to dismiss, a judge must accept as true all of the factual allegations contained in the complaint." *Erickson v.*

Pardus, 551 U.S. 89, 94 (2007) (per curiam). The Court must also draw "all reasonable inferences from the complaint . . . in favor of the nonmoving party[.]" *Crumpley-Patterson v. Trinity Lutheran Hosp.*, 388 F.3d 588, 590 (8th Cir. 2004). "A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Iqbal*, 556 U.S. at 678 (citation omitted). Plausibility is not equivalent to probability, but it is something "more than a sheer possibility that a defendant has acted unlawfully." *Id.* "The question . . . is not whether [a plaintiff] might at some later stage be able to prove [its claims]; the question is whether [a plaintiff] has adequately asserted facts (as contrasted with naked legal conclusions) to support his claims." *Whitney v. Guys, Inc.*, 700 F.3d 1118, 1129 (8th Cir. 2012).

III. DISCUSSION

Defendants move to dismiss all of plaintiffs' claims in the second amended complaint. The Court will consider each claim in turn and will then discuss whether the claims should be dismissed with or without prejudice.

A. Direct Infringement (Count I)

Defendants move to dismiss plaintiffs' Count I claim for direct infringement as to JDCFC, Dobbs, and Everglades. Defendants argue "the [second amended complaint] fails to plausibly plead JDCFC and the [Dealer Defendants] perform every step of the asserted claims." (Doc. 129-1, at 11). More specifically, defendants argue plaintiffs plead themselves out of Court because their allegations about how the 333G and SG96 work are fundamentally inconsistent with what the '300 Patent claims. (*Id.*, at 12; Doc. 132, at 5). Defendants also argue that even if the Court does not dismiss the direct infringement claim, the Court should dismiss plaintiffs' claim against the Dealer Defendants, or at a minimum, the Court should sever the infringement claims against them and stay the claims under the consumer-suit exception. (Doc. 129-1, at 13–14).

Last, defendants argue the second amended complaint does not plausibly plead willful infringement. (*Id.*, at 14–16).

The Court will first consider defendants' general argument that the Court should dismiss plaintiffs' direct infringement claims before turning to the more discrete issues of whether the customer-suit exception applies and whether plaintiffs allege willful infringement.

1. *Direct Infringement*

a. Applicable Law

Title 35, United States Code, Section 271(a) provides that "whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States . . . during the term of the patent therefor, infringes the patent." 35 U.S.C. § 271(a). "Direct infringement under § 271(a) occurs where all steps of a claimed method are performed by or attributable to a single entity." *Akamai Techs., Inc. v. Limelight Networks, Inc.*, 797 F.3d 1020, 1022 (Fed. Cir. 2015) (en banc) (per curiam).

To prove literal infringement "every limitation set forth in a claim must be found in an accused product, exactly," in what is known as the "all limitations" rule. *Becton, Dickinson & Co. v. Tyco Healthcare Grp., LP*, 616 F.3d 1249, 1253 (Fed. Cir. 2010) (quoting *Southwall Techs., Inc. v. Cardinal IG Co.*, 54 F.3d 1570, 1575 (Fed. Cir. 1995)); *see also Freedom Seating Co. v. American Seating Co.*, 420 F.3d 1350, 1358 (Fed. Cir. 2005). "[A] plaintiff need not prove its case at the pleading stage" and "is not required to plead infringement on an element-by-element basis." *Bot M8 LLC v. Sony Corp. of America*, 4 F.4th 1342, 1352 (Fed. Cir. 2021) (internal quotations omitted). But "a patentee may subject its claims to early dismissal by pleading facts that are inconsistent with the requirements of its claims." *Id.* at 1346.

Under the doctrine of equivalents, "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if

there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 21 (1997) (citing *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 609 (1950)). "[T]he doctrine of equivalents requires a showing that the difference between the claimed invention and the accused product or method was insubstantial or that the accused product or method performs the substantially same function in substantially the same way with substantially the same result as each claim limitation of the patented product or method." *AquaTex Indus., Inc. v. Techniche Sols.*, 479 F.3d 1320, 1326 (Fed. Cir. 2007). Like literal infringement, the "all limitations" rule applies to infringement under the doctrine of equivalents and "proof of equivalents must be limitation specific, not focused only on the claim as a whole[.]" *VLSI Tech. LLC v. Intel Corp.*, 87 F.4th 1332, 1342 (Fed. Cir. 2023).

b. Parties' Arguments

Defendants argue plaintiffs' allegations do not plausibly allege JDCFC and the Dealer Defendants directly infringed on the '300 Patent. Instead of arguing plaintiffs do not have enough allegations, however, defendants argue plaintiffs' allegations assert the Accused Products use a different method that is inconsistent with the method disclosed by the '300 Patent. (Doc. 129-1, at 11–13).

Defendants' argument focuses primarily on the fourth element of Claim 1 and on Claim 2 of the '300 Patent, which teaches:

> **1.** A method for controlling a dozer blade controlled by an automatic grade control system on a skid steer vehicle comprising:
> ***
> preventing the ability of the main arm from providing any lifting force by restricting the ability of a hydraulic that lifts the main arm.
>
> ***
>
> **2.** The method for controlling a dozer blade as in claim **1** further including: locking the main arm against the stop when the main arm is at

the lower limit of movement of the main arm.

'300 Patent col. 8 ll. 47–67. Thus, according to defendants the '300 Patent discloses a method for controlling the dozer blade which restricts the hydraulic that lifts the main arm, which in turn prevents the main arm from providing any lifting force and keeps the main arm in place. (Doc. 129-1, at 12). Defendants argue to plead direct infringement of the '300 Patent, then, plaintiffs must allege the Accused Products prevent the main arm from lifting by restricting the hydraulic that lifts the main arm. (*Id.*). Defendants argue plaintiffs plead the opposite. That is, plaintiffs plead when the 333G is in Dozer Mode it either pulses hydraulics to push the main arm down, or it cuts power to the main arm so the main arm cannot move. (Doc. 132, at 5–6). Neither of these allegations *restrict* the ability of the hydraulic that lifts the main arm. (*Id.*). In short, defendants argue plaintiffs have pled themselves out of court by alleging the Accused Products use a method that is inconsistent with the '300 Patent. (*Id.*).

Plaintiffs do not directly disagree with defendants' argument that restricting the hydraulics, which the '300 Patent teaches, is inconsistent with using the hydraulics to push or pulse downwards, as plaintiffs' complaint alleges. Instead, plaintiffs primarily argue defendants' motion is premature because the case has not been through claim construction and discovery. (Doc. 131, at 8–9). Plaintiffs argue the Court should hold a *Markman* hearing and engage in claim construction to determine the meaning of the fourth element and to define "restrict" before ruling on whether their allegations are inconsistent with the '300 Patent's claims. (*Id.*, at 8–11).

Plaintiffs also argue they allege in detail the Accused Products practice the accused method. Plaintiffs allege they performed a voltage test that measured no voltage to the main arm hydraulic while the 333G was in Dozer Mode, which means the power is cut while in Dozer Mode. Plaintiffs argue cutting the power means the main arm hydraulics were deactivated, or in terms on the '300 Patent, restricted. (*Id.*, at 8).

Last, plaintiffs argue this case does not present a situation where a court can determine that the allegations are facially inconsistent with the claim. (*Id.*, at 10).

c. Analysis

The Court will first consider whether claim construction is necessary and whether the lack of claim construction precludes the Court from ruling on defendants' motion to dismiss. The Court will then turn to the allegations to determine whether this is a situation where the Court can facially determine that the allegations are inconsistent with the claim, and if so, whether plaintiffs have plead themselves out of court.

i. Claim Construction

There is no "categorical rule against a district court's adoption of a claim construction in adjudicating a motion to dismiss." *UTTO Inc. v. Metrotech Corp.*, 119 F.4th 984, 992 (Fed. Cir. 2024). "Doing so reflects the logical relationship of claim construction to infringement and the normal function of courts deciding whether to grant a Rule 12(b)(6) motion." *Id.* at 993. Oftentimes, "claim construction is properly done based on intrinsic evidence alone," and "[w]here claims are construed based on intrinsic evidence alone, a decision on claim construction is not different in kind from the interpretation of other legal standards, which is proper and routine in ruling on a motion under Rule 12(b)(6)." *Id.* A Court, however, does not necessarily have to engage in claim construction before deciding a motion to dismiss. *See, e.g.*, *Ortiz & Assocs. Consulting, LLC v. Ricoh USA, Inc.*, NO. 6:21-CV-01178-ADA, 2023 WL 2904583, at *4 (W.D. Tex. Apr. 11, 2023) (dismissing complaint when "no claim construction [was] required to determine that [plaintiff] fails to plausibly suggest the accused product meets each limitation of the asserted claim"); *Sapphire Crossing LLC v. Robinhood Mkts., Inc.*, No. 18-1717-MN-CJB, 2021 WL 149023, at *5 (D. Del. Jan. 15, 2021) ("[T]he Court is not required to accept implausible arguments at the pleading stage—such as a plaintiff's argument that turns on an implausible or unreasonable reading of claim term's

meaning."); *Guntert & Zimmerman Constr. Div., Inc. v. Gomaco Corp.*, No. 20-CV-4007-CJW-KEM, 2024 WL 5453478, at *11 (N.D. Iowa Sep. 27, 2024) (declining to engage in claim construction at motion to dismiss stage when the proposed construction "rests upon a facially implausible claim construction").

Defendants notified the Court in a supplemental notice filed after the parties completed briefing and oral argument on the motion to dismiss that the parties had exchanged proposed claim constructions and evidence. (Doc. 137). Defendants attached the parties' respective proposed claim constructions to the notice. (Docs. 137-1 & 137-2). Surprisingly, no party proposed the fourth element of Claim 1—and specifically the phrase "restricting the ability of a hydraulic that lifts the main arm"—as requiring construction. (Doc. 137, at 2). The Court is not aware of everything that has been exchanged between the parties regarding claim construction, but plaintiffs have not refuted defendants' representation. The Court is concerned that plaintiffs are not seeking claim construction for "restrict" or "restricting the ability of a hydraulic that lifts the main arm" when one of its primary arguments in resisting defendants' motion is that the Court must construe these terms. If the terms do not need further construction, the Court sees no reason why it should sua sponte engage in claim construction here. The Court also does not see why it should wait to decide defendants' motion until after claim construction when the parties are not seeking construction on the relevant terms.

Even if defendants had not provided notice that the parties are not seeking construction on the relevant terms, the Court would still have proceeded with ruling on defendants' motion without waiting for claim construction because the Court can define the scope of the '300 Patent without engaging in premature or prohibited claim construction. As discussed, the '300 Patent claims a method for controlling a dozer blade by preventing the main arm from lifting by "restricting the ability of a hydraulic that lifts the main arm" and "locking the main arm against the stop." The '300 Patent's detailed

description teaches three different ways of restricting the hydraulics, which include: 1) closing the valve that provides hydraulic pressure to the hydraulic that moves the main arm; 2) capping the supply or return hydraulic lines that feed the hydraulic; or 3) by the other hydraulic limiting means. '300 Patent col. 5, ll 36–45; col. 5. ll 64 through col. 6 ll 6; col. 7 ll 15–17. Consistent with the three possible ways of restricting the hydraulics, Claim 3 teaches the '300 Patent's method restricts the hydraulic by operating a valve to hydraulically isolate the hydraulic lift. '300 Patent, col. 9 ll 1–4.

There are two conclusions to draw from the detailed description and claims in the '300 Patent's method for restricting the hydraulics. The first is that the '300 Patent's method for controlling the dozer blade contemplates directly restricting the hydraulics that lift the main arm. Each of the '300 Patent's explanations involve directly restricting the hydraulics that lift the main arm. There may be other direct ways of restricting the main arm, or other actions that indirectly impact the main arm hydraulics, but those methods are not contemplated by the '300 Patent.

The second conclusion is that "restricting" the hydraulic under the terms of the '300 Patent means cutting off the hydraulic pressure so the hydraulics cannot move the main arm. This can be done by closing the valve that provides hydraulic pressure, by capping the supply or return hydraulic lines, or by other hydraulic limiting means. Each of the '300 Patent's specified methods involve an active step to directly manipulate the hydraulics.

In addition to the express methods of restricting the hydraulics, the '300 Patent also contains other language that shows the '300 Patent contemplates a method that directly restricts the hydraulics. The '300 Patent teaches restricting the ability of the hydraulic that lifts the main arm "essentially neuters the ability of the main arm to move up under power of the hydraulic that could normally otherwise lift the main arm." '300 Patent at col. 7 ll 64 through col. 8 ll 2; col. 8 ll 16–21. In other words, restricting the

hydraulics, but not restricting something else, is what prevents the main arm from lifting.

Without veering into premature or unnecessary claim construction, the Court finds from the plain language of the '300 Patent itself that the '300 Patent's method requires an active step that directly restricts the hydraulics, which in turn prevents the main arm from lifting. If the allegations assert a method inconsistent with the method contemplated by the '300 Patent, then the complaint must be dismissed.

ii. Allegations

The Court turns next to whether plaintiffs' allegations are inconsistent with the method covered by the '300 Patent.

Defendants focus on two allegations in support of their argument that plaintiffs' allegations are inconsistent with the '300 Patent. The first is that plaintiffs allege JDCFC's product marketing manager, Gregg Zupancic ("Zupancic"), appeared on a podcast and described the 333G's Dozer Mode as "making sure that [blade] is staying down onto the grade at all times, hydraulically." (Doc. 57, at 8). The second involves another interview statement from Zupancic in which he said: "So with Dozer Mode . . . when the blade is wanting to come up off of the stops under heavy load, and we can pulse hydraulics to keep that down and push it down and keep it down so you get a nice smooth grade." (*Id.*, at 9).

Plaintiffs argue a third allegation is not inconsistent with the '300 Patent's claims and sufficiently alleges the Accused Products restrict the main arm hydraulics and therefore infringe on the '300 Patent. Specifically, plaintiffs allege they performed a voltage test on the 333G. (Doc. 57, at 10). When the 333G's boom arm is lowered and the GPS is enabled, i.e. when the vehicle is in Dozer Mode, plaintiffs allege there is no voltage in the boom arm hydraulics. (*Id.*). After the user pulls back on the joystick to a certain point, the vehicle disconnects from Dozer Mode, a voltage becomes measurable, and the boom arm can lift. (*Id.*). Plaintiffs' allegation concludes that this confirms

"when the 333G is operating in Dozer Mode . . . the hydraulics controlling the boom arm are indeed restricted." (*Id.*).

The parties primarily cite two cases in support of their respective arguments about whether the allegations are inconsistent with the '300 Patent's claims: *Bot M8 LLC v. Sony Corp. of America* and *Guntert & Zimmerman Construction Division, Inc. v. Gomaco Corp.*.

Bot M8 involved patents relating to gaming machines like casino, arcade, and video games. 4 F.4th at 1347. The relevant patent claimed a "game program for executing a game" and an "authentication program for authenticating the game program" are stored on the same memory board, which was separate from the motherboard and its memory. *Id.* The plaintiff alleged the infringing product stored authentication programs, which was located on the motherboard. *Id.* at 1354. The court held the plaintiff's "kitchen sink" approach revealed an inconsistency that caused the plaintiff to plead itself out of court. *Id.* That is, the plaintiff's allegation that the program was stored on the motherboard directly contradicted the patent's claim that the program be stored *separate* from the motherboard. The inconsistencies could not be reconciled, and the Federal Circuit affirmed the district court's dismissal. *Id.*

In *Guntert*, which was decided by this Court, the plaintiff alleged the defendant infringed on its patent for a concrete paving machine. The patent at issue required the paving machine to have two separate structures: a forward bolster having a forward swing leg connected to the forward end of the center module, and a side swing leg connected to the lateral side of the center module. 2024 WL 5453478, at *9. The plaintiff alleged the accused product had a single swing leg that could qualify as both a forward swing leg and a side swing leg. *Id.* at *7. The Court held the plaintiff's allegations were inconsistent with the patent's claims. The Court found like the patented product, the swing legs on the accused product could go either forward or to the side. But unlike the

patented product, the swing legs on the accused product could not go both forward and to the side at the same time because there was only one set of swing legs with one connection point whereas the patent claimed two swing legs connected at two separate points. *Id.* at *11.

The circumstances here are slightly different than the circumstances in *Bot M8* and *Guntert*. In both of those cases, the allegations in the complaint were physically inconsistent in spatial sense with the patents' claims. In *Bot M8* it was impossible for the program to be located both on the motherboard and separate from the motherboard. In *Guntert* it was impossible for a single set of swing legs with a single connection point to also be two separate sets of swing legs with two connection points. Here, there is not the same spatial inconsistency. That is, there is nothing about the placement of the hydraulics, the main arm, or the locking mechanism that is necessarily inconstant between the '300 Patent and plaintiffs' allegations. But like *Bot M8* and *Guntert*, plaintiffs' allegations are physically inconsistent with what is claimed by the '300 Patent.

The two allegations involving Zupancic's statements are inconsistent with the '300 Patent's claim of "preventing the ability of the main arm from providing any lifting force by restricting the ability of a hydraulic that lifts the main arm." As defendants point out, the '300 Patent's claim contemplates restricting the hydraulics, whereas Zupancic's statements show the 333G actively uses hydraulics to keep the blade down and more specifically, to actively push or pulse the main arm downward. The '300 Patent and the Accused Devices accomplish the same goal but one of them (the 333G) allegedly does so by actively engaging the hydraulics and pulsing downward to keep the blade against the ground while the other (the '300 Patent) does so by restricting the hydraulics so the hydraulics have no lifting force by which the arm can be lifted off the ground. A device cannot restrict the hydraulics at the same time it is actively engaging the same hydraulics to apply a downward force. They are two opposite actions. Even though plaintiffs need

not plead every element, the allegations about Zupancic's statements allege the 333G does not contain every limitation in the '300 Patent's claims.

For similar, but slightly different reasons, the Court also finds plaintiffs' allegation about the voltage level in the hydraulics while the 333G is in Dozer Mode is also inconsistent with the '300 Patent.

This allegation is not inconsistent in the same way pulsing the hydraulics is directly the opposite of restricting the hydraulics, but it is inconsistent with the '300 Patent's claims nonetheless. Plaintiffs' allegation is that there is no electrical power in the 333G's boom arm hydraulics when the 333G is in Dozer Mode.[2] In other words, giving plaintiffs all reasonable inferences, their allegation is that the 333G restricts power to the boom arm's hydraulics. Restricting power is not the same thing as restricting the hydraulics. According to the '300 Patent, restricting the hydraulics requires closing the hydraulic valve line or capping the hydraulic supply. It does not require turning off the power supply. Stated differently, restricting the boom arm by turning off the power supply is a different method of keeping the boom arm down than restricting the hydraulic pressure through the means specifically contemplated by the '300 Patent. In fact, it is likely power is needed to restrict the hydraulics by closing the valve and capping the hydraulic supply. Cutting power contemplates a different method than restricting the hydraulics and plaintiffs' second amended complaint effectively alleges the 333G does not use the same method of keeping the boom arm in place as the '300 Patent requires.

For these same reasons, plaintiffs' conclusory allegation that the accused products

[2] At oral argument, counsel for defendants explained there is no voltage in the hydraulics because the system is turned off while in Dozer Mode. In other words, Dozer Mode does not cut power to the boom arm, it just is not delivering power because the feature is not being used. (Doc. 138, at 18). The Court has no reason to doubt counsel's explanation, but it veers beyond the allegations in the second amended complaint, which the Court is constrained to at the motion to dismiss stage. The Court will remain focused on the language in the allegations and not unalleged explanations.

infringe alternatively under the doctrine of equivalents also fails to state a plausible claim. *See VLSI Tech. LLC*, 87 F.4th at 1342.

Thus, defendants' motion to dismiss plaintiffs' claim for direct infringement is **granted** and plaintiffs' claim for direct infringement (Count I) is **dismissed**.

2. Customer-Suit Exception

Defendants next argue that if the Court does not dismiss plaintiffs' direct infringement claim, the Court should dismiss, or at least sever and stay, the infringement claim against the Dealer Defendants under the customer-suit exception. (Doc. 129-1, at 13). As discussed, the Court grants defendants' motion to dismiss the direct infringement claim, so the Court need not separately dismiss or sever and stay the claim against the Dealer Defendants. Still, the Court will consider whether the claims against the Dealer Defendants should be severed and stayed in the alternative.

Motions to sever are governed by Federal Circuit law in patent cases. *In re EMC Corp.*, 677 F.3d 1351, 1354 (Fed. Cir. 2012). The Federal Circuit recognizes the customer-suit doctrine, which exists to avoid "imposing the burdens of trial on the customer, for it is the manufacturer who is generally the 'true defendant' in the dispute." *In re Nintendo of America, Inc.*, 756 F.3d 1363, 1365 (Fed. Cir. 2014) (quoting *Codex Corp. v. Milgo Elec. Corp.*, 553 F.2d 735, 738 (1st Cir. 1977)). The customer-suit exception traditionally provides that district courts have discretion to stay patent infringement suits against the customers of manufacturers when the manufacturer is sued or sues in a separate action after the suit against the customer is filed. *See id.* But the Federal Circuit also recognizes "[t]he policies expressed in the duplicative-case context are certainly relevant in a district court's decision how to proceed within the context of a single case." *In re Dell Inc.*, 600 F. App'x 728, 730 (Fed. Cir. 2015); *Berkeley*IEOR v. Teradata Operations, Inc.*, 17 C 7472, 2019 WL 1077124, at *7 (N.D. Ill. Mar. 7, 2019) ("As an initial matter, we find that although Berkeley is suing Teradata and the

non-Teradata Defendants in the single complaint, the customer-suit rationale applies because Teradata is the true defendant."). The decision to stay proceedings is within the discretion of the court and part of the inherent power of every court to control the disposition of cases on its docket. *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936).

Defendants argue the customer-suit exception should apply. (Doc. 129-1, at 13). Defendants argue the Deere Defendants are the manufacturers and the true defendants. (*Id.*). According to defendants, plaintiffs only added the Dealer Defendants, who are both located in Florida, after defendants filed their motion to transfer jurisdiction from Florida to Iowa. (*Id.*). Defendants also argue plaintiffs' claims against the Dealer Defendants are identical to the claims against the Deere Defendants and depend on resolution of the claims against the Deere Defendants, so it will be more efficient to sever and stay the claims against the Dealer Defendants pending resolution of the Deere Defendants' claims. (*Id.*, at 13–14).

In response, plaintiffs argue the customer-suit exception only applies when there are separate suits against the manufacturer and customer and does not apply when a claim is brought against the manufacturer and customer in the same suit. (Doc. 131, at 11). Plaintiffs also argue the customer-suit exception does not apply to method claims because a manufacturer may infringe in a different way than the customer infringes, so resolving the claim against the manufacturer will not resolve the claim against the customer, thereby negating the economy of a stay. (*Id.*, at 11–12). Last, at oral argument plaintiffs argued the transfer Court already declined to sever the claims against the Dealer Defendants, so it would be improper to reverse course now in this Court.

Until relatively recently, the customer-suit exception only applied where the customer was sued for infringement in one court and the manufacturer then later sued for noninfringement or invalidity in a different court. In *In re Nintendo*, however, the Federal Circuit recognized that the underlying rationale of the customer-suit exception

also applied in cases where a patent holder sued a manufacturer and its customers in the same action. 756 F.3d at 1365. That is, the manufacturer is still the true defendant in the single-suit scenario and the preference to avoid imposing the burdens of trial on the customer was still served by staying the claims against the customer until the outcome of the suit against the manufacturer was determined. *Id.* Because the underlying rationale applied in a single action brought against a manufacturer and customer, the Federal Circuit held courts can sever claims against a customer while the claims against the manufacturer proceed in the same action if the manufacturer's liability is a predicate to recovery for any of the other defendants. *Id.* at 1366. Thus, plaintiffs' argument that the customer-suit exception cannot apply when a customer and manufacturer are named in a single suit is incorrect.

The holding in *In re Nintendo* aligns closely with plaintiffs' second argument that the customer-suit exception cannot apply to method claims because the claims against the manufacturer and customer may be based on different theories of infringement so resolving suits against a manufacturer will not necessarily resolve the claims against the customer. In *In re Nintendo*, the Federal Circuit said severing and staying was only appropriate when the manufacturer's liability was a predicate to the customer's liability. *Id.* The *In re Nintendo* court did not decide what should happen if the allegations against the manufacturer were different than the claims against the customer. But the underlying rationale of the customer avoiding the burdens of trial when the claims against it are dependent on the claims against the manufacturer is not served if the claims against the two are different.

It is irrelevant that the *In re Nintendo* court did not address the appropriateness of a severance and stay when the claims were different or that method claims are not well-suited for the customer-suit exception because here plaintiffs' claims against the Dealer Defendants are exactly the same as the claims against the Deere Defendants. There is no

separate claim or theory of liability asserted against the Dealer Defendants. There are no substantive allegations the Dealer Defendants infringed in any way distinct from the Deere Defendants. There are also no independent claims against the Dealer Defendants. The Dealer Defendants only infringed, then, if the Deere Defendants infringed. The Deere Defendants' liability is a predicate to recovery for any of the other defendants. Thus, the Court would ordinarily find severing and staying the claim against the Dealer Defendants appropriate in this situation.

The Court clarified above that it would "ordinarily" grant the stay, but the circumstances here are unique. This case was transferred from the Southern District of Florida, which already denied defendants' request to sever and stay the case against the Dealer Defendants. (Doc. 89, at 18–19) ("Thus, the case can proceed in its entirety in the Northen District of Iowa. The claims against the Dealer Defendants will not be severed and stayed.").

Under the law of the case doctrine, "when a court decides upon a rule of law, that decision should continue to govern the same issues in subsequent stages in the same case." *Morris v. American Nat'l Can Corp.*, 988 F.2d 50, 52 (8th Cir. 1993) (citing *Arizona v. California*, 460 U.S. 605, 618 (1983)). "A court has the power to revisit prior decisions of its own or of a coordinate court in any circumstance, although as a rule courts should be loath to do so in the absence of extraordinary circumstances such as where the initial decision was 'clearly erroneous and would work a manifest injustice.'" *Id.* at 817 (quoting *Arizona v. California*, 460 U.S. at 618 n.8). A court may also revisit a prior decision if the evidence initially supporting the transfer has changed. *Maxfield v. Cintas Corp., No. 2*, 487 F.3d 1132, 1135 (8th Cir. 2007) ("We will consider a previously decided issue under the law-of-the-case doctrine only if substantially different evidence is subsequently introduced or the decision is clearly erroneous and works manifest injustice." (internal quotations omitted)).

Here there is no claim that the Southern District of Florida's decision was clearly erroneous or would work a manifest injustice. Even if the Court were not dismissing the direct infringement claim, declining to stay and sever the Dealer Defendants now would not result in a manifest injustice. There is little doubt that it would inconvenience the Dealer Defendants if the Court was not otherwise already dismissing the claims, but the inconvenience does not rise to the level of a manifest injustice. There is also not any argument that there is new evidence that warrants revisiting the Southern District of Florida's decision. Defendants make nearly identical arguments here that they made in the Southern District of Florida. Even if the Court would have reached a different outcome if the motion was first raised here, there is nothing to suggest the Southern District of Florida did not fully consider the evidence and arguments before it.

Thus, if the Court were not dismissing the direct infringement claim in its entirety, it would decline to apply the customer suit exception under the law of the case doctrine.

3. Willful Infringement

Defendants also move to dismiss plaintiffs' willful infringement allegations. (Doc. 129-1, at 14–16). Willful infringement is dependent on a court first finding there was direct infringement. *See, e.g.*, *Gradient Enters., Inc. v. Skype Techs. S.A.*, 848 F. Supp. 2d 404, 409 (W.D.N.Y. 2012). The Court has already found there is not direct infringement, but plaintiffs' claim for willful infringement would also fail on an alternative basis.

As the basis for willful infringement, plaintiffs allege defendants saw plaintiffs' invention at a trade show and then submitted patent applications that disclosed methods similar to the '300 Patent's method several months later. (Doc. 57, at 5–6). Plaintiffs also allege they sent Deere cease-and-desist letters on two occasions in 2020. (*Id.*, at 12–13). Plaintiffs allege that Deere continued to sell the infringing products after it received the cease-and-desist letters. (*Id.*, at 13). Plaintiffs argue this conduct shows

defendants acted egregiously because they knew of the patent, they acquired knowledge of how the patent worked at the trade show, they ignored plaintiffs' cease-and-desist letters, and they continued to sell an infringing product anyway. (Doc. 131, at 12–14).

Section 284 of the Patent Act gives district courts "the discretion to award enhanced damages against those guilty of patent infringement." *Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 579 U.S. 93, 110 (2016); *see also* 35 U.S.C. § 284. Section 284 claims have come to be known as willful infringement causes of action even though the words "willful" and "willfulness" do not appear in Section 284. *See Bos. Sci. Corp. v. Nevro Corp.*, 415 F. Supp. 3d 482, 493 (D. Del. 2019). Under Section 284, enhanced damages for willful infringement are only warranted in "egregious cases of misconduct beyond typical infringement" where the infringer's conduct is "willful, wanton, malicious, bad-faith, deliberate, consciously wrongful, flagrant, or—indeed—characteristic of a pirate." *Halo Elecs.*, 579 U.S. at 103–04, 110.

There is no clear standard on what is necessary to show willful infringement, especially at the motion to dismiss stage, but there is guidance. At the very least, knowledge of the infringed patent is a prerequisite to enhanced damages. But a court may not award enhanced damages for willful infringement "simply because the evidence shows that the infringer knew about the patent *and nothing more*." *Halo Elecs.*, 579 U.S. at 110 (Breyer, J., concurring) (emphasis in original). "[I]t is the *circumstances* that transform simple 'intentional or knowing' infringement into egregious, sanctionable behavior, and that makes all the difference." *SRI Int'l, Inc. v. Cisco Sys., Inc.*, 930 F.3d 1295, 1308 (Fed. Cir. 2019) (emphasis in original) (quoting *Halo Elecs.*, 579 U.S. at 110 (Breyer, J., concurring)).

Several courts have considered willful infringement claims involving facts similar to the facts here and have found letters from patent holders to an alleged infringer informing the infringer of the patent and alleged infringement is not enough to support a

willful infringement claim on its own. *See Hypermedia Navigation LLC v. Google LLC*, No. 18-cv-06137-HSG, 2019 WL 1455336, at *4 (N.D. Cal. Apr. 2, 2019) ("But even if the 2017 Letter demonstrated pre-suit knowledge—which the Court does not conclude here—it is too far a stretch to convert the 2017 Letter into a basis for willful infringement."); *Cellcontrol, Inc. v. Mill Mountain Cap., LLC*, No. 7:21-cv-246, 2022 WL 598752, at *5 (W.D. Va. Feb. 28, 2022) ("[Plaintiff] contends that [defendant's] conduct was willful and thus egregious because [defendant] failed to respond to the cease and desist letter and because [defendant] continues to market the accused product. These facts do not rise to the level of infringing conduct sufficiently egregious to state a claim for willful infringement."); *Document Sec. Sys., Inc. v. Nichia Corp.*, No. CV 19-08172 JVS (JEMx), 2020 WL 3881623, at *3–4 (C.D. Cal. Mar. 4, 2020) (finding allegations that the defendant continued to sell products after receiving a letter from the plaintiff about a potential infringement did not raise to the level of egregious conduct). The cited cases do not stand for a bright-line rule that a cease-and-desist letter cannot provide the basis for willful infringement, but they support a finding that a defendant does not act egregiously if it continues to sell a product after receiving such a letter from a patent holder informing the defendant of the patent and a possible infringement, without more.

The Court finds this reasoning persuasive. Plaintiffs' allegations, at most, allege defendants knew about the patent and knew it was plaintiffs' position that defendants were infringing. Though not alleged in the second amended complaint, plaintiffs agree that Deere responded to plaintiffs' letter explaining why it did not believe it was infringing. Defendants did not hear anything else from plaintiffs until they filed their lawsuit approximately three years after plaintiffs sent the cease-and-desist letters. There is nothing egregious about responding to allegations explaining a different viewpoint and then continuing to manufacture a product after not receiving a return response.

Plaintiffs also argue their allegations that defendants saw their method used at a

tradeshow and then decided to pursue patents on a similar method several months later supports a willful infringement claim. The Court disagrees. There is nothing egregious or particularly uncommon about viewing a product or method and then pursuing something similar. At most, it alleges defendants had knowledge of plaintiffs' method. Knowledge alone, however, is not enough.

Thus, defendants' motion to dismiss plaintiffs' claim for willful infringement is **granted** and plaintiffs' allegations for willful infringement are **dismissed**.

B. Indirect Infringement in Violation of 35 U.S.C. § 271(b) & (c) (Induced and Contributory Infringement) (Counts II & III)

Defendants next move to dismiss plaintiffs' Counts II against the Deere Defendants and Count III against JDCFC, which are both claims for indirect infringement in violation of Title 35, United States Code, Sections 271(b) ("Induced Infringement") and 271(c) ("Contributory Infringement"). Indirect infringement under Sections 271(b) and (c) is dependent on a court first finding there was direct infringement. *Carborundum Co. v. Molten Metal Equip. Innovations, Inc.*, 72 F.3d 872, 876 n.4 (Fed. Cir. 1995) (citing *Met-Coil Sys. Corp. v. Korners Unlimited, Inc.*, 803 F.2d 684, 687 (Fed. Cir. 1986)). The Court has already found the second amended complaint does not allege direct infringement and it follows that it cannot allege indirect infringement. If the second amended complaint supported a claim for direct infringement, however, then plaintiffs successfully state a claim for induced infringement, but not contributory infringement.

1. Induced Infringement

Under Section 271(b), "[w]hoever actively induces infringement of a patent shall be liable as an infringer." Liability for induced infringement is "predicated on direct infringement" and induced liability arises only if there is direct infringement. *Limelight Networks, Inc. v. Akamai Techs., Inc.*, 572 U.S. 915, 921–22 (2014). In addition to showing direct infringement, "[i]nducement requires a showing that the alleged inducer

knew of the patent, knowingly induced the infringing acts, and possessed a specific intent to encourage another's infringement of the patent." *Vita-Mix Corp. v. Basic Holding, Inc.*, 581 F.3d 1317, 1328 (Fed. Cir. 2009).

Defendants argue plaintiffs do not plead any specific facts that the Deere Defendants acted with specific intent to encourage another's infringement of the patent. (Doc. 129-1, at 16). According to defendants, plaintiffs' allegation that the Deere Defendants "instruct customers and end-users at least through marketing, promotional, and instructional materials, including manuals and video instructions, to use the [Accused Products]" is both unsubstantiated and insufficient to establish specific intent. (*Id.*, at 17). Plaintiffs argue their complaint has detailed allegations of instances where JDCFC's product marketing manager expressly touted using the Accused Devices in an infringing manner, which at a minimum supports an inference that defendants intended to induce their customers to use the Accused Products while knowing that such use by customers constituted infringement. (Doc. 131, at 14).

"Intent can be shown by circumstantial evidence, but the mere knowledge of possible infringement will not suffice." *Vita-Mix Corp.*, 581 F.3d at 1328; *see also Microsoft Corp. v. DataTern, Inc.*, 755 F.3d 899, 904 (Fed. Cir. 2014) ("Absent the knowledge and affirmative act of encouragement, no party could be charged with inducement."). Similarly, specific intent is not established solely if a product is used in an infringing manner or by "ordinary acts incident to product distribution, such as offering customers technical support or product updates[.]" *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913, 937 (2005). But allegations of "active steps taken to encourage direct infringement, such as advertising an infringing use or instructing how to engage in an infringing use, show an affirmative intent that the product be used to infringe." *Id.* at 936 (citation modified).

If plaintiffs' only allegation was a conclusory allegation that defendants knowingly

induce infringement through selling, marketing, advertising, promotion, support, and distributing infringing instruments, as defendants suggest, then the Court would agree there are insufficient allegations of induced infringement. Plaintiffs, however, include allegations of specific instances in which JDCFC representatives specifically touted the advantages of using the 333G in an infringing manner.[3] (Doc. 57, at 8-9). Both comments came from Zupancic during interviews where the intended audience included professionals who were likely to use the product, and the interviews were intended to promote the product. These were active steps to advertise and encourage an alleged infringing use. Defendants characterize the marketing manager's statements as "off-the-cuff podcast statements." (Doc. 132, at 7). Defendants' characterization may ultimately be correct, but it is premature. Plaintiffs need not prove the statements were active steps to induce customers to infringe, but must plausibly allege as much, which they have done here.

The Court must once again reiterate that the inducement allegations are only sufficient if there is direct infringement. The Court has already found there is not direct infringement, so the Court **grants** defendants' motion to dismiss plaintiffs' claim for induced infringement and plaintiffs' claim for induced infringement (Count II) is **dismissed**.

2. Contributory Infringement

"Contributory infringement occurs if a party sells or offers to sell, a material or apparatus for use in practicing a patented process, and that 'material or apparatus' is

[3] To be clear, the representatives only touted the advantages of using the 333G in an infringing manner only if the method used by the 333G and Dozer Mode infringed. The Court has already found plaintiffs failed to allege the 333G and Dozer Mode infringed on the '300 Patent. In other words, plaintiffs have alleged the other requirements for an induced infringement claim, but they still have not alleged direct infringement. Nothing in the Court's analysis in this section is meant to alter the Court's finding on direct infringement but is only offered as an alternative analysis to address the other requirements for an induced infringement claim.

material to practicing the invention, has no substantial non-infringing uses, and is known by the party 'to be especially made or especially adapted for use in an infringement of such patent.'" *In re Bill of Lading Transmission and Processing Sys. Pat. Litig.*, 681 F.3d 1323, 1337 (Fed. Cir. 2012). A contributory infringement claim also requires "an act of direct infringement[.]" *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.*, 424 F.3d 1293, 1312 (Fed. Cir. 2005). "To state a claim for contributory infringement, therefore, a plaintiff must, among other things, plead facts that allow an inference that the components sold or offered for sale have no substantial non-infringing uses." *In re Bill of Lading*, 681 F.3d at 1337. "[A] substantial non-infringing use is any that is 'not unusual, far-fetched, illusory, impractical, occasional, aberrant, or experimental.'" *Id.* (quoting *Vita-Mix Corp.*, 581, F.3d at 1327).

Defendants argue that plaintiffs do not plausibly plead the Accused Products have no substantial non-infringing use because plaintiffs' allegations are merely a formulaic recitation of the elements. (Doc. 129-1, at 17). Defendants also argue that plaintiffs do not plead that JDCFC knew the Accused Products were specially made or adapted for infringement. (*Id.*, at 18). In response, plaintiffs argue because they have specifically identified the infringing instrumentalities at issue with the 333G and have identified other Deere products that do not and cannot operate the infringing instrumentalities, it is plausible to infer the 333G was designed specifically to operate with the infringing instrumentalities and has no substantial non-infringing uses. (Doc. 131, at 15–16). Plaintiffs also argue defendants knew the Accused Products were made or adapted for infringement because plaintiffs sent a cease-and-desist letter to defendants and because defendants filed patent applications shortly after seeing plaintiffs' product at the Topcon roadshow. (*Id.*, at 16).

Plaintiffs' allegation that the Accused Products and the components thereof "are substantial, material parts of the claimed inventions of the '300 Patent and have no

substantial non-infringing use" is nothing more than a formulaic recitation of the elements and cannot sustain their claim for contributory infringement. The allegation merely restates the standard in conclusory fashion but states no facts that would "allow an inference that the components sold or offered for sale have no substantial non-infringing uses." *In re Bill of Lading*, 681 F.3d at 1337. Plaintiffs' argument that the Court can infer the Accused Products have no other substantial use because they have also identified other products that do not use the infringing product requires pure speculation as to why Deere designs its products the way it does. Deere's reasons for designing the 333G to be compatible with the supposedly infringing method, while also designing other products that are not compatible is unknown but could be wide-ranging. It is pure speculation not reasonably inferred from the pleadings to infer Deere designed the 333G different than other products exclusively so the 333G could use the infringing method. Further, plaintiffs' other allegations in the second amended complaint contradict their claim that the 333G has no other substantial uses. Specifically, plaintiffs also allege Dozer Mode is "one of" the prominent features of the 333G. (Doc. 57, at 7). "One of" indicates the 333G has other important features that are non-infringing, which directly undermines plaintiffs' argument that the 333G does not have any non-infringing uses.

The parties' arguments about whether defendants knew the Accused Products were made for infringement are the same as their arguments about willful infringement. For the same reasons the Court found plaintiffs did not plead willful infringement, the Court also finds plaintiffs did not plead defendants knew the products were made for infringement.

Thus, defendants' motion to dismiss plaintiffs' claim for contributory infringement is **granted** and plaintiffs' claim for contributory infringement (Count III) is **dismissed**.

C. False and Misleading Advertising and Promotion in Violation of 15 U.S.C. § 1125(a)(1)(B) (Count IV)

Defendants also move to dismiss plaintiffs' Count IV claim against JDCFC for false and misleading advertising and promotion in violation of Section 43(a)(1)(B) of the Lanham Act, Title 15, United States Code, Section 1125(a)(1)(B). Defendants argue plaintiffs fail to plausibly plead four of the five elements required for a false advertising Lanham Act claim. (Doc. 129-1, at 19–23). Defendants also argue plaintiffs lack standing to assert a false advertising claim. (*Id.*, at 23–24).

Section 43(a)(1)(B) of the Lanham Act states:

> **(a) Civil action**
>
> **(1)** Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading misrepresentation of fact, which—
>
> ***
>
> **(B)** in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,
>
> shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1)(B); *see also Hall v. Bed Bath & Beyond, Inc.*, 705 F.3d 1357, 1365–67 (Fed. Cir. 2013). It follows, then, that to establish a Lanham Act false advertising claim

> a plaintiff must prove '(1) a false statement of fact by the defendant in a commercial advertisement about its own or another's product; (2) the statement actually deceived or has the tendency to deceive a substantial segment of its audience; (3) the deception is material, in that it is likely to influence the purchasing decision; (4) the defendant caused its false statement to enter interstate commerce and (5) the plaintiff has been or is likely to be injured as a result of the false statement, either by direct

> diversion of sales from itself to defendant or by a loss of goodwill associated with its products.'

Buetow v. A.L.S. Enters., Inc., 650 F.3d 1178, 1182–83 (8th Cir. 2011) (quoting *United Indus. Corp. v. Clorox Co.*, 140 F.3d 1175, 1180 (8th Cir. 1998)).

The parties disagree about whether Federal Rule of Civil Procedure 9(b)'s heightened pleading standard applies to Lanham Act claims. The Eighth Circuit has not definitely spoken as to whether Rule 9(b) applies to Lanham Act claims and the district courts in the Eighth Circuit are split on the issue. *Compare N. Bottling Co. v. Henry's Foods, Inc.*, 474 F. Supp. 3d 1016, 1029 (D.N.D. 2020) ("Based on recent Eighth Circuit case law, the particular statute at issue (15 U.S.C. § 1125(a)(1)(B)), and the allegations set forth in the complaint, the Court finds Rule 9(b)'s heightened pleading standards apply."), *with Nestle Purina PetCare Co. v. Blue Buffalo Co.*, No. 4:14 CV 859 RWS, 2015 WL 1782661, at *7 (E.D. Mo. Apr. 20, 2015) ("Proof of fraud is not a prerequisite to establishing liability under the Lanham Act. . . . As a result, Rule 9(b) does not apply to [counterclaimant's] Lanham Act and the claim should not be dismissed for lack of particularity"). The Court need not decide whether the heightened pleading standard applies to the Lanham Act claim here because the Court finds the allegations do not meet the normal pleading standards, so it follows they also would not satisfy the heightened pleading standard if that standard applies.

Plaintiffs plead their false advertising claim in the alternative to their infringement claim. In their resistance brief, plaintiffs argue the second amended complaint contains allegations that defendants have repeatedly told customers that the hydraulic lift arm on the 333G is restricted when the vehicle is operating in Dozer Mode. (Doc. 131, at 17). Plaintiffs point specifically to the two brief statements Zupancic made on a podcast and at a tradeshow explaining how the 333G and Dozer Mode work. (*Id.*). Plaintiffs argue that if defendants avoid infringement liability because the 333G does not restrict the

hydraulics, then the statements made to the customers about the 333G restricting the hydraulics must be false.

There are several problems with plaintiffs' pleadings and arguments. First, plaintiffs' arguments in their resistance brief do not reflect what is alleged in the second amended complaint. In Zupancic's first statement alleged in the second amended complaint, Zupancic told podcast listeners that Dozer Mode works by keeping the blade "down onto the grade at all times, hydraulically." (Doc. 57, at 8). In the second alleged statement, Zupancic stated "[s]o with Dozer Mode . . . we can pulse hydraulics to keep that down and push it down and keep it down so you get a nice smooth grade." (*Id.*, at 9). Neither of these statements directly states or implies Dozer Mode works by restricting the hydraulics. In fact, as the Court found above, they do the opposite of restricting the hydraulics because they are actively engaging the hydraulics to keep the boom arm down. In other words, Zupancic did not tell customers (at least in the two statements plaintiffs alleged) that the 333G restricts the hydraulics. Even if the Court cannot determine whether the statements are true, the Court can determine Zupancic did not falsely claim Dozer Mode restricted the hydraulics because that is simply not what he said. Thus, plaintiffs failed to plead the first element—a false statement made by defendants—necessary to sustain a Lanham Act false advertising claim.

Plaintiffs' allegations on the remaining elements do not fare any better. Plaintiffs merely recite the remaining elements, but do not allege any facts in support of the allegations. For example, as to the second and third elements which require that the statement actually deceived or had the tendency to deceive its audience and that the deception is material, plaintiffs only allege defendants' acts "are likely to materially deceive members of the general public . . . by influencing the purchasing decisions of these customers[.]" (Doc. 57, at 16). As to the fifth element—that plaintiffs have been or are likely to be injured as a result of the false statement—plaintiffs only allege they

have been irreparably harmed and will continue to suffer a range of injuries, which are not detailed. (*Id.*). These are nothing more than conclusory recitations of the elements and do not suffice. *Twombly*, 550 U.S. at 555. Thus, plaintiffs have failed to state a claim for false advertising.

Defendants also argue plaintiffs lack standing to assert a false advertising claim. The Court agrees. Plaintiffs have not alleged with specificity any injury from false statements at all. Plaintiffs allege they have suffered injuries to their "business reputation, related declining sales, ***or*** loss of goodwill. (Doc. 57, at 16) (emphasis added). Plaintiffs themselves do not even appear to know if they have been injured or in what way. By including "or" in its list of possible injuries, plaintiffs imply they might have been injured one of those ways, but they also might not have. The bigger problem, though, is that there are no factual allegations stating what the concrete injuries are and plaintiffs' legal conclusion that they have been injured does not suffice. Given that they have not alleged a concrete injury, there are also no allegations linking the injury to defendants' conduct. Thus, plaintiffs also lack standing to assert their false advertising claim.

Thus, defendants' motion to dismiss plaintiffs' Lanham Act claim (Count IV) is **granted** and plaintiffs' Lanham Act claim is **dismissed.**

D. Correction of Inventorship Under 35 U.S.C. § 256 (Count V)

Last, defendants move to dismiss plaintiffs' Count V claim against Deere for correction of inventorship under Title 35, United States Code, Section 256. (Doc. 129-1, at 24–27). In the second amended complaint, plaintiffs seek to add Armas as a joint inventor on U.S. Patent Nos. 11,028,557, 11,286,641, 10,975,547, and 10,760,243 (collectively the "Deere Patents"). (Doc. 57, at 17).

"Section 256 provides for correction of inventorship on an issued patent." *Ruling Meng v. Ching-Wu Paul Chu*, 643 F. App'x 990, 994 (Fed. Cir. 2016) (citing 35

U.S.C. § 256). "[T]o prevail on a [Section] 256 claim, an alleged co-inventor must show that he contributed to the conception of the claimed invention and that his contribution was 'not insignificant in quality, when that contribution is measured against the dimension of the full invention.'" *Id.* (quoting *Acromed Corp. v. Sofamor Danek Grp.*, 253 F.3d 1371, 1379 (Fed. Cir. 2001)). An alleged co-inventor must have also done "more than merely explain to the real inventors well-known concepts and/or the current state of the art." *Opternative, Inc. v. JAND, Inc.*, No. 17 Civ. 6936 (JFK), 2019 WL 624853, at *8 (S.D.N.Y. Feb. 13, 2019) (quoting *Pannu v. Iolab Corp.*, 155 F.3d 1344, 1351 (Fed. Cir. 1998)). Issued patents are presumed to correctly name their inventors, so "the burden of proving nonjoinder of inventors is a 'heavy one,' which must be demonstrated by clear and convincing evidence." *Ruling Meng*, 643 F. App'x at 994.

In addition to the three elements discussed above, when alleging joint inventorship, as plaintiffs do here, "[a]n inventor must also allege 'some element of joint behavior, such as collaboration or working under common direction, one inventor seeing a relevant report and building upon it or hearing another's suggestion at a meeting.'" *Opternative*, 2019 WL 624853, at *8 (quoting *Kimberly-Clark Corp. v. Procter & Gamble Distrib. Co.*, 973 F.2d 911, 917 (Fed. Cir. 1992)). In short, "joint inventorship . . . requires at least some quantum of collaboration or connection." *Kimberly-Clark Corp.*, 973 F.2d at 917. Collaboration or concerted effort can only occur "when the inventors have some open line of communication during or in temporal proximity to their inventive efforts[.]" *Eli Lilly & Co. v. Aradigm Corp.*, 376 F.3d 1352, 1359 (Fed. Cir. 2004); *see also Iceotope Grp. Ltd. v. LiquidCool Sols., Inc.*, No. 20-cv-2644 (WMW/JFD), 2022 WL 204923, at *6 (D. Minn. Jan. 24, 2022).

Defendants argue plaintiffs fail to plead each of the required elements. First, defendants argue plaintiffs fail to plead Armas contributed to the Deere Patents because there was no collaboration between plaintiffs and defendants in their inventive efforts.

(Doc. 129-1, at 25). Defendants also argue plaintiffs fail to plead Armas made a significant contribution when measured against the dimension of Deere's full invention. (*Id.*, at 26). Last, defendants argue plaintiffs fail to plead how Armas' alleged contribution was different from the state of the art.

Turning first to defendants' argument about collaboration, the Court finds plaintiffs have not plead joint behavior or collaboration sufficient to survive a motion to dismiss. Plaintiffs allege Armas used the method covered by the '300 Patent on a JDCFC vehicle for a tradeshow and that several months later Deere filed its infringing patents, so Armas should be listed as a joint inventor. (Doc. 57, at 5–6). Plaintiffs do not allege any collaboration whatsoever with any defendant. There are no allegations that the parties had a common direction, concerted efforts, or communication with one another. Plaintiffs do not even specifically allege defendants saw plaintiffs' invention during the tradeshow, though the implication is that defendants did see it. There simply are no allegations that can be read to suggest collaboration, even giving plaintiffs all reasonable inferences.

Plaintiffs appear to concede there was no direct collaboration and instead argue a unilateral disclosure can satisfy the collaboration requirement. (Doc. 131, at 23). Plaintiffs rely on language in a string of Federal Circuit cases that state joint behavior means "collaboration or working under common direction, one inventor seeing a relevant report and building upon it or hearing another's suggestion at a meeting." (*Id.*) (citing *Eli Lilly & Co.*, 376 F.3d at 1359, which in turn quotes *Kimberly-Clark Corp.*, 973 F.2d at 917). The Court agrees with plaintiffs' reading of the cases to the extent they hold collaboration does not necessarily require two inventors physically (or telephonically) talk with one another. The Court, however, disagrees with plaintiffs' conclusion from the cases that only seeing a report or product is enough to establish collaboration. Under plaintiffs' reading of the cases, a mere passerby could happen upon an unattended report

and that would satisfy the collaboration requirement. But the cases require more than merely viewing a method, product, or report, or hearing a suggestion at a meeting. They also require "at least some quantum of collaboration or connection." *Eli Lilly & Co.*, 376 F.3d at 1359. Here, even if defendants saw the '300 Patent's method in use, simply viewing the method is not enough to show a connection or collaboration.

Defendants' second and third arguments are that plaintiffs did not plead Armas made a significant contribution when measured against the full invention and that plaintiffs did not plead how Armas' contribution was different from the state of the art. (Doc. 129-1, at 26). To be made a joint inventor on a patent, "[t]he joint inventor's contribution must be more than insignificant in quality when that contribution is measured against the dimension of the full invention." *Maatuk v. Emerson Elec., Inc.*, 781 F. App'x 1002, 1006 (Fed. Cir. 2019) (per curiam) (quotation and alteration omitted). Also, "[c]ontributions to realizing an invention may not amount to a contribution to conception if they merely explain what was then state of the art." *Id.* (quoting *Eli Lilly & Co.*, 376 F.3d at 1359).

If the Court were to find Armas contributed to the Deere Patents—which it does not—then the Court would find his alleged contributions were more than insignificant. Plaintiffs allege detailed facts relating to the installation and calibration of the '300 Patent's method on the JDCFC vehicle, along with how the system worked. If plaintiffs are correct that they contributed to the Deere Patents, then their contributions are significant because they include core components of how the system works. The problem, however, is plaintiffs' contribution merely explains what was then the state of the art. None of plaintiffs' alleged contributions are different from the state of the art. Plaintiffs allege they used the method covered by the '300 Patent to install the system which they now allege contributed to defendants' patents. The USPTO allowed Deere's patents to issue over the '300 Patent, which confirms the '300 Patent was the state of the

art.

Thus, defendants' motion to dismiss plaintiffs' claim for correction of inventorship (Count V) is **granted** and plaintiffs' claim for correction of inventorship is **dismissed**.

E. With or Without Prejudice

Last, having decided plaintiffs' second amended complaint should be dismissed, the Court must decide whether it should be dismissed with or without prejudice.

Defendants argue plaintiffs' second amended complaint should be dismissed with prejudice. (Doc. 129-1, at 27). Defendants argue plaintiffs have already amended their complaint twice and have been on notice of the deficiencies in their pleadings for over a year. (*Id.*). At oral argument, defendants clarified they have been making the same arguments about their product not infringing since they sent plaintiffs a response to their cease-and-desist letter in 2020. Defendants also stated they already moved for dismissal on the same grounds in the Southern District of Florida before the case was transferred to the Northern District of Iowa.

Plaintiffs concede they have amended their complaint twice but argue they should be entitled to amend their petition because the earlier amendments were for "technicalities." (Doc. 131, at 24–25). According to plaintiffs, they first amended their complaint to add the Dealer Defendants and include an additional cause of action for indirect infringement. (*Id.*, at 24). Plaintiffs then filed the second amended complaint to correct the identity of one of the Dealer Defendants who was misidentified in the first amended complaint. (*Id.*). In other words, this is the first time the sufficiency of their allegations has been tested.

A district court has discretion to dismiss a complaint with or without prejudice. *See Orr v. Clements*, 688 F.3d 463, 465 (8th Cir. 2012). A dismissal with prejudice may be appropriate if amending the pleadings would be futile or if a plaintiff has shown "persistent pleading failures" even though they have had opportunities to amend. *See*

United States v. Railey Cisco, No. 21-CV-8-CJW-KEM, 2021 WL 5035043, at *3 (N.D. Iowa July 12, 2021); *Michaelis v. Neb. State Bar Ass'n*, 717 F.2d 437, 439 (8th Cir. 1983) (per curiam). A dismissal with prejudice may also be appropriate if the plaintiff has not indicated how it would make a complaint viable through an amendment. *Pet Quarters, Inc. v. Depository Tr. & Clearing Corp.*, 559 F.3d 772, 782 (8th Cir. 2009).

Here, plaintiffs have amended their complaint twice, but it was not because a court found the allegations insufficient in either of those instances. As discussed, plaintiffs first amended their complaint to add the Dealer Defendants and an additional cause of action. They amended their complaint a second time to correct essentially a typographical error. A court did not rule on the merits or sufficiency of the allegations in either of those cases and the Court's order here is the first time a court is doing so. In that sense, plaintiffs have not had opportunities to amend to address pleading failures identified by a court.

The Court agrees with defendants, however, that plaintiffs were on notice of the second amended complaint's deficiencies since at least March 1, 2024, when defendants filed a motion to dismiss in the Southern District of Florida arguing the same points they do here. The Court also agrees defendants' Southern District of Florida motion to dismiss might have alerted plaintiffs to potential deficiencies. The notice from defendants, however, did not require plaintiffs to amend their complaint. Plaintiffs may have wanted to test their claim on the merits instead of caving to pressure from an opposing party. *See Foman v. Davis*, 371 U.S. 178, 182 (1962) ("If the underlying facts or circumstances relied upon by a plaintiff may be a proper subject of relief, he ought to be afforded an opportunity to test his claim on the merits."). Thus, the Court does not necessarily fault plaintiffs for not seeking to amend their complaint when defendants challenged plaintiffs' claims.

The issue here, though, is that amending the pleadings would be futile. As to the

infringement claims, the problem with plaintiffs' second amended complaint here is not that they included too few or insufficient facts to state a claim. The problem is that they included information that pleaded them out of Court. In other words, their allegations already show how the Accused Products work and that it is inconsistent with how the '300 Patent works. The Court does not see how amending their complaint could resolve the inconsistencies unless plaintiffs revise their entire understanding of how the Accused Products work and their interpretations of the comments Zupancic made and then also revise their factual allegations to support the changes.

The other problem is that plaintiffs have not indicated anywhere what they would include in a third amended complaint as to any of the claims that would cure the deficiencies in their claims. *See Pet Quarters*, 559 F.3d at 782 ("Leave to amend generally is inappropriate, however, where the plaintiff has not indicated how it would make the complaint viable, either by submitting a proposed amendment or indicating somewhere in its court filings what an amended complaint would have contained."). As discussed, plaintiffs had notice of possible deficiencies in their allegations since at least March 1, 2024, which plaintiffs chose to test instead of amending their complaint. But throughout that entire time plaintiffs have not come up with anything else, or at least they have not informed the Court of anything else they believe would make their complaint viable. Instead, plaintiffs simply conclude they should get another chance to plead their case if the Court deems their existing allegations insufficient. Plaintiffs' conclusory argument is not a sufficient ground for the Court to grant leave for plaintiffs to amend their complaint again.

Thus, plaintiffs' complaint should be dismissed with prejudice.

IV. CONCLUSION

For these reasons, the Court **grants** defendants' joint motion to dismiss. (Doc. 129). Plaintiffs' second amended complaint is **dismissed with prejudice** and this case can be closed.

IT IS SO ORDERED this 9th day of October, 2025.

C.J. Williams, Chief Judge
United States District Court
Northern District of Iowa